

**Central Washington University****Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2003-05 Expenditure Authority</b>	1,120.3	81,861	99,881	181,742
<b>Total Maintenance Level</b>	1,140.3	88,094	112,428	200,522
Difference	20.0	6,233	12,547	18,780
Percent Change from Current Biennium	1.8%	7.6%	12.6%	10.3%
<b>Performance Changes</b>				
General Enrollments	18.0	3,776		3,776
Pension Gain Sharing		(207)	(23)	(230)
Projected Unit Credit - OSA #		(1,135)	(123)	(1,258)
Pension Savings in Salary Items #		(8)		(8)
Super Coalition Health Benefits		665	88	753
Nonrepresented Employees Cost of Living Adjustment		3,294	319	3,613
Nonrepresented Employees Health Benefit Change		215	27	242
General Inflation		(50)	(401)	(451)
Maintenance and Operations Shift		(536)		(536)
Collective Bargaining Agreements		1,961	105	2,066
<b>Subtotal</b>	18.0	7,975	(8)	7,967
<b>Total Proposed Budget</b>	1,158.3	96,069	112,420	208,489
Difference	38.0	14,208	12,539	26,747
Percent Change from Current Biennium	3.4%	17.4%	12.6%	14.7%
<b>Total Proposed Budget by Activity</b>				
Administrative Overhead		72		72
Education and Cultural Development	1,069.1	91,830	69,987	161,817
Sponsored and Academic Research	89.2		42,000	42,000
Compensation Cost Adjustment		4,167	433	4,600
<b>Total Proposed Budget</b>	1,158.3	96,069	112,420	208,489

**PERFORMANCE LEVEL CHANGE DESCRIPTIONS****General Enrollments**

This increased investment in state-supported general enrollments responds to the demographic pressure on the higher education system and maintains access to the state's higher education institutions. Funding is provided to increase general enrollments by 241 student FTEs in Fiscal Year 2006 and 201 FTEs in Fiscal Year 2007 for a total of 442 new FTEs. These enrollments are provided in addition to the level reported by the institution for academic year 2005 and may not be used for students currently enrolled.

**Pension Gain Sharing**

Prefunding for pension gain sharing is removed from the budget.

**Projected Unit Credit - OSA #**

This item reflects moving the Public Employees' Retirement System, the Teachers' Retirement System, and the School Employees' Retirement System from the aggregate actuarial method to the projected unit credit method, using assumptions and methods provided by the Office of the State Actuary.

**Pension Savings in Salary Items #**

The cost of providing cost-of-living and other salary adjustments is reduced to reflect the lower pension contribution rates under the projected unit credit method.

**Super Coalition Health Benefits**

The Governor's budget assumes the same health benefit package and employee cost-sharing in the 2005-07 Biennium for both represented and non-represented employees. The goal is to hold the average employee contribution to 12 percent of the total cost of the medical benefit. The funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for Fiscal Year (FY) 2006 and \$744/month for FY 2007. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be lower than expected, \$663/month for FY 2006 and \$528/month for FY 2007. The actual state cost paid from the Insurance Account per comparable represented/non-represented employee will be the same.

**Nonrepresented Employees Cost of Living Adjustment**

The Governor provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006 for non-represented employees.

**Nonrepresented Employees Health Benefit Change**

The Governor's budget assumes the same health benefit package and employee cost-sharing in the 2005-07 Biennium for both represented and non-represented employees. The goal is to hold the average employee contribution to 12 percent of the total cost of the medical benefit. The funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for Fiscal Year (FY) 2006 and \$744/month for FY 2007. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be lower than expected, \$663/month for FY 2006 and \$528/month for FY 2007. The actual state cost paid from the Insurance Account per comparable represented/non-represented employee will be the same.

**Maintenance and Operations Shift**

In addition to the fund shift that occurred in the 2003-05 biennial budget, an additional amount of the maintenance and operations budget for Central Washington University is moved from the General Fund to the Education Construction Account.

**Collective Bargaining Agreements**

Central Washington University (CWU) is represented by the Washington Federation of State Employees union Local 330. As of August 2004, CWU employed slightly more than 600 classified staff, some of whom are members of one of two separate bargaining units. Bargaining Unit I is a union shop and has 168 dues-paying members. The employees in this shop are from various trades. Bargaining Unit II is an open shop and has 193 members, of which only a few pay dues. The remainder of the classified staff, 245 employees, are not represented. (General Fund-State, Institutions of Higher Education-Grants and Contracts Account-Nonappropriated, Institutions of Higher Education-Dedicated Local Account-Nonappropriated)

**ACTIVITY DESCRIPTIONS****Administrative Overhead**

This activity comprises the University's administrative overhead costs.

**Education and Cultural Development**

This activity includes the services required to ensure that current students have access to instructional opportunities of a high quality and can graduate in a timely way.

**Sponsored and Academic Research**

This activity provides federal and non-federal sponsored research and programs for faculty and students to maintain and enhance their knowledge in areas of concern to the citizens of the state. The activity also includes state and local faculty and graduate program research projects.

## HIGHER EDUCATION

### **Compensation Cost Adjustment**

This item reflects proposed compensation and benefit cost adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.